GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4033
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Insurance Penetration
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Will the Minister of FINANCE be pleased to state:

(a) whether the insurance premium collection in the country grew by 7.9 per cent in the year 2015;

(b) if so, the details thereof along with the products which grew in demand;

(c) whether the insurance penetration in the country remained low at 3.44 per cent in 2015 as compared to global average of 6.23 per cent, if so, the details thereof and the reasons therefor; and

(d) the steps taken by the Government to popularise insurance products in order to increase its penetration in the country especially in rural areas?

Answer

Minister of State in the Ministry of Finance

(a) & (b): As per Insurance Regulatory and Development Authority of India (IRDAI), the total insurance premium collection in the country during the years 2014-15 and 2015-16 is as under:

Particulars	2014-15 Total premium (Rs. in crore)	Growth (%)	2015-16 Total premium (Rs. in crore)	Growth (%)
Life Insurance Industry	328102	4.39	366943	11.84
Non-life Insurance Industry	80584	10.61	91538	13.59

(c) & (d): Insurance penetration in India grew from 3.30% in 2014 to 3.44% in 2015.

Government of India has launched Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) as insurance based social security schemes targeting especially the poor and the underprivileged. The rural coverage under PMJJBY and PMSBY is 49.58% and 52.66% respectively.
IRDAI has taken the following initiatives to develop insurance sector in India:-

a. New distribution channels such as Point of Sales Persons.
b. Insurance Awareness Development Programmes
c. Advertising Campaign against fraudulent phone calls.

Apart from this, the Authority has been carrying out a sustained campaign to create awareness about insurance, rights and duties of policyholders etc. through various media. The Authority has launched an exclusive consumer education website www.policyholder.gov.in which contains information about IRDAI, buying insurance, making claim, complaint etc. This website hosts the e-copies of consumer education materials, which includes Policyholders Handbooks, Comic Books Series as well as Animation Films on various topics including Health Insurance in 13 languages to reach out the policyholders and general public in rural areas.